## Before the Federal Communications Commission Washington, DC 20554

In the Matter of	In	the	Matter	of
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CC Docket No. 96-45	)
Federal-State Joint Board on Universal Service	)
Comment on Review of Lifeline and Link-up	)
Service for All Low-Income Consumers	)

## Comments of Beacon Telecommunications Advisors, LLC

Beacon Telecommunications Advisors, a telecommunications-consulting firm with offices in Tulsa, Colorado Springs, and Kansas City, on behalf of its clients respectfully submits the following comments pursuant to Public Notice FCC 01J-2. Beacon represents approximately 40 local exchange carriers in Alaska, Arizona, Colorado, Illinois, Kansas, Louisiana, Missouri, New Mexico, and Oklahoma. Our clients are primarily rural ILECs with fewer than 20,000 access lines.

Our clients support the Lifeline and Link-up programs and believe that these programs serve a useful role in society. However, our clients have made certain observations regarding the efficiency of the programs. We also wish to comment upon the verification of eligibility requirements for participation in the programs.

The Commission has requested comments regarding the eligibility criteria of the programs and whether the criteria should be modified. Some of our clients have observed instances where the programs have perhaps not been as efficient as one would hope in targeting support to the truly needy. For example, in the state of Kansas, families who have dependent children receiving medical assistance from the state may qualify for Lifeline/Link-up assistance despite the fact that these families may be relatively affluent when compared to other families who do not qualify for assistance. Another example is New Mexico where persons may qualify for Medicaid if their employer does not provide health insurance. As Medicaid is a qualifying program in New Mexico, these persons may qualify for Lifeline/Link-up assistance despite the fact that sometimes they are more affluent than others who do not qualify. However, while we bring these observations to the attention of the Commission, we recognize that in most instances Lifeline/Link-up assistance is going to those persons for which it is intended. The issues surrounding the development of appropriate eligibility criteria are complex, and there are no easy solutions that will automatically target support to appropriate individuals in every case.

The Commission has also requested comments regarding whether the eligibility of participants in the programs should be verified and, if so, what measures should be used. We note that verification requirements for Lifeline/Link-up programs vary widely from state-to-state. Some states, such as Oklahoma, have a self-certification program wherein the consumer certifies that he or she is eligible for the programs, but is not required to

produce any evidence of eligibility. Other states, such as Kansas, require that participants present evidence that they are in one of the social programs that qualifies them for Lifeline/Link-up assistance. While verification requirements might prevent fraudulent abuse of the programs, significant occurrences of such abuse have not come to the attention of our clients. We do not believe that it is appropriate for carriers, who typically are not in the position of administering social services programs, to be in a position of verifying the eligibility of participants in these programs. Currently, there is no direct reimbursement to carriers for their administrative costs relating to Lifeline/Link-up programs. Should significant additional Lifeline/Link-up responsibilities be placed upon carriers, the Commission should consider appropriate ways to accurately recognize these administrative costs both jurisdictionally and in terms of reimbursement.

Should you require more specific information or wish to discuss these comments further, please contact our Tulsa office at 918-496-1444 or our Colorado Springs office at 719-531-6342.